

## REMARKS

Reconsideration of the application in light of the following remarks is respectfully requested.

Claims 15, 16, 21, 22 and 27-89 are pending. Claims 15, 21 and 89 have been amended. No new matter has been added.

### Rejection Under 35 U.S.C. § 102

Claims 15, 16, 21, 22, 27, 29, 31, 33-35, 37-89 stand rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 5,835,087 to Herz et al. (“Herz”). As demonstrated below, Applicants submit that Herz does not disclose determining the level of relevancy of an advertisement based on the content being delivered to a user free of any information about the user. Therefore, Applicants submit that Herz does not anticipate the claimed invention.

The Examiner contends that Herz discloses all the steps of the claimed method including “a data store that identifies a set of rules associated with each ad, the rules indicate a level of relevancy of the ad to the content of the information retrieved; and a match maker that accesses the content retrieved by the user, extracts that content according to its rules, parses the content of the information by objects and targets an ad from the server to the content by applying the rules in the data store” as recited in independent claim 15, and similarly recited in independent claim 21. Independent claim 89 is directed to a system which relates to the claimed methods.

Applicants submit that Herz discloses a system for customized electronic identification of desirable objects which can be implemented in a news clipping service which learns to select news articles based solely on what the user chooses to read. (Herz, column 55, lines 45-50.) The system “generates a search profile set for each user, as a function of the target profiles of the articles that user has accessed and the relevance feedback the user has provided on these articles.” (Herz, column 55, lines 55-59.) As new articles are received, the article’s target profile (based on the relative frequency of occurrence of words within the article) is generated. These target profiles are compared to a user’s set of search profiles and “those new articles whose target profiles are closest (most similar) to the closest search profile in a user’s search profile set are identified to that user for possible reading.” (Herz, column 55, lines 64-67.) Herz, column 56, lines 6-14, describes the disclosed method as “based on what the user read.” Applicants submit that Herz discloses a historical-based process that analyzes data and projects what future documents would be of interest to the user. Herz chooses which advertisements are to be displayed beside the content, prior to the user actually viewing the content.

In contrast, the claimed invention performs real-time ad placement contextually based on what is relevant to the content of the user’s current interest on the Internet. By way of explanation, the claimed invention is analogous to a third party (who has no prior knowledge of the user) reading a hardcopy print newspaper over the shoulder of the user, and placing advertisements on the newspaper page being viewed by the user, where the advertisements are relevant to the context of the particular story appearing on that page.

Independent claim 15 has been amended to now recite that a set of rules is associated with the ad where “the rules indicate a level of relevancy of the ad to the content of the information retrieved free of information about the user.” The application describes that the **content of the current page being viewed by a user** is parsed to determine a set of contextually relevant advertisements or affiliate links. (Specification, page 26, lines 19-23.) Herz does not disclose determining relevancy from the content of what is being currently presented and viewed by a user “free of information about the user.” In contrast, Herz bases relevancy on a process of behavior analysis based on the user’s demographics and the user’s previous viewing history. Indeed, Herz discloses that relevancy results from processing together (a) the frequency of occurrence of a word; (b) the historic data of the user’s past viewing pattern; and (c) actual feedback from the user.

Independent claims 21 and 89 have been amended to also recite that a set of rules indicate a level of relevancy “free of information about the user.” Applicants submit that the preceding discussion is equally applicable to amended independent claims 21 and 89. Applicants submit that Herz does not disclose each and every feature of amended independent claims 15, 21 and 89. Thus, Herz does not anticipate claims 15, 21 and 89.

Claims 16, 27-31, 32-35, 37-39 depend from claim 15. Claims 22, 40-88 depend from claim 21. Applicants submit that claims 16, 22, 27-31, 32-35 and 37-88 are patentable over Herz for at least the same reasons as their respective base claims. Withdrawal and reconsideration is requested.

### **Rejection Under 35 U.S.C. § 103**

Claims 32 and 36 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Herz in view of the Examiner’s statement of what was known in the art at the time of the invention.

The Examiner contends that Herz discloses most of the features of claims 32 and 36. However, the Examiner acknowledges that Herz does not disclose that performance is measured by a change in revenues or click-through rates (claim 32), nor that content is classified by past consumption by users as a consequence of ads that were received and responded to by them (claim 36). The Examiner states that these approaches are “old and well known in the computer related arts,” and that it would have been obvious for a person of ordinary skill in the art to have combined Herz and the Examiner’s statement of what is “old and well known” at the time of the invention to achieve the invention of claims 32 and 36.

Claims 32 and 36 depend from amended independent claim 15, and recite the features of claim 15 as if set forth therein in its entirety. In the above discussion, Applicants have demonstrated that claim 15 is patentable over Herz. The above discussion is equally applicable to claims 32 and 36. Applicants submit that the combination of Herz and what was “old and well known in the computer related arts” neither discloses nor suggest, singly or in combination, the feature recited in both claims 32 and 36 of a set of rules that indicate a level of relevancy “free of information about the user.” Reconsideration and withdrawal of the rejection is requested.

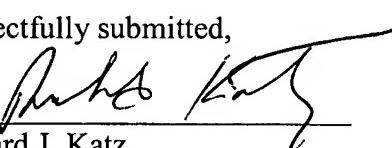
## CONCLUSION

Each and every point raised in the Office Action dated November 15, 2004 has been addressed on the basis of the above amendments and remarks. In view of the foregoing it is believed that Claims 15, 16, 21, 22 and 27-89 are in condition for allowance and it is respectfully requested that the application be reconsidered and that all pending claims be allowed and the case passed to issue.

If there are any other issues remaining which the Examiner believes could be resolved through a Supplemental Response or an Examiner's Amendment, the Examiner is respectfully requested to contact the undersigned at the telephone number indicated below.

Dated: April 29, 2005

Respectfully submitted,

By   
Richard J. Katz  
Registration No.: 47,698  
DARBY & DARBY P.C.  
P.O. Box 5257  
New York, New York 10150-5257  
(212) 527-7700  
(212) 753-7701 (Fax)  
Attorneys/Agents For Applicants